Treasury and Policy Board

Business Plan 2004-2005

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Table of Contents

A. Message from the Minister 3

B. Mission 4

C. Planning Context 4

D. Strategic Goals 5

E. Core Business Areas 5
1. *Support to Treasury and Policy Board / Cabinet* 5
2. *Strategic Planning and Budgeting* 6
3. *Coordination of Corporate Policies and Priorities* 6
4. *Supporting Effective Corporate Administration of Government* 6

F. Priorities 7

G. Budget Context 9

H. Performance Measures 10

A. Message from the Minister

I am pleased to present the 2004-2005 business plan for the Treasury and Policy Board (TPB) office.

Since it was created three years ago, the Treasury and Policy Board office has played a key role in several important initiatives to improve the planning, budgeting and accountability processes of government. Government, departments, certain public service entities and crown corporations are now required to prepare and publish annual business plans with performance measures. In addition, Government, departments and agencies are required to report annually on progress in meeting business plans priorities and performance targets in annual accountability reports. There is also a requirement for deputy ministers and senior executives to meet business plan priorities as part of the performance evaluation process.

The Treasury and Policy Board office works closely with the Department of Finance and line departments to manage expenditures through the expenditure forecast system while making important new investments in services that Nova Scotians value. For each of these initiatives the Treasury and Policy Board office publishes policy and guidelines and coordinates planning and reporting efforts across government.

The TPB office provides timely, high-quality analysis and advice on information and decision items submitted to Cabinet and the Treasury and Policy Board by departments and agencies. We continue to develop corporate administrative policies and procedures to improve efficiency and good management in all departments and offices.

The 2004-2005 TPB Business Plan builds on our progress to date. Important new initiatives for 2004-05 are described in this business plan. We will also complete other initiatives, started in prior years.

Ultimately, taxpayers can be assured that systems are in place which ensure taxpayers' money is carefully and appropriately spent, on the priorities that matter most to Nova Scotians.

Hon. Michael Baker
Chair of Treasury and Policy Board

B. Mission

To ensure that the expenditure and policy initiatives of the public service are planned, communicated and implemented in a way that reflects the priorities of government and inspires confidence in the people of Nova Scotia.

C. Planning Context

The Treasury and Policy Board office supports the Executive Council and its main committee the Treasury and Policy Board (TPB). In January 2004, the office assumed responsibility for the operational and administrative support of two new committees of Executive Council - the Economic Growth Committee and the Social Policy Committee. The TPB office continues to support the work of the Legislative and Regulatory Review Committee.

An important role of the TPB office is to review and analyze policy and spending proposals to Cabinet and TPB. A survey of client departments during the summer of 2003 indicated a 77% overall satisfaction level with the Cabinet document submission process. The TPB office will continue to build on this success to further enhance the quality of support to Cabinet and TPB

The TPB office is the Government of Nova Scotia's central planning agency. Thorough business and budget planning becomes increasingly important given the need for government to make additional investments in key areas while operating in an environment of modest revenue growth.

An important responsibility of the TPB office is to promote accountability for the plans, priorities and performance targets of Government and its departments and agencies. Improving accountability and performance reporting in government has been, and will continue to be, a primary focus for TPB.

The work of the TPB office strengthens the systems and processes that promote good performance and accountability in government departments and agencies. In this way the TPB office supports the priorities of Government within the context of sustainability and fiscal prudence. Government priorities for 2004-2005, that are supported by the work of the TPB office, include:

- Health Care - promoting the wellness of Nova Scotians while maintaining health services for those who are ill.
- Learning - learning is succeeding and developing an educated workforce.
- Building Greater Prosperity - growing the economy.
- Fiscal responsibility and accountability
- Protecting what Nova Scotians value
  - ✓ Seniors
  - ✓ Families and Nova Scotians in need
  - ✓ Environment
  - ✓ Cultural diversity
  - ✓ Consumer protection/insurance
  - ✓ Safer communities/streets

D. Strategic Goals

- ✔ Provide high-quality analysis and recommendations to the Executive Council, Treasury and Policy Board and other Cabinet committees.
- ✔ Improve communication between elected officials and the public service, including crown corporations and other government agencies.
- ✔ Improve accountability of government and the public service, including crown corporations, and other government agencies.
- ✔ Strengthen the corporate leadership of the public service.
- ✔ Promote the implementation of government's strategic plan through the improved integration of planning, budgeting and communications.
- ✔ Improve systems, processes and procedures required for effective and efficient administration of government.

E. Core Business Areas

1. *Support to Treasury and Policy Board / Cabinet*

A key responsibility of the TPB office is managing submissions to, and follow-up from, Cabinet, Treasury and Policy Board, the Economic Growth Committee and the Social Policy Committee. The office develops the TPB agenda and provides critical analysis of policy and expenditure proposals. The analysis, which accompanies submissions to the Executive Council, Treasury and Policy Board and the Cabinet committees serves as background to the decision-making process and helps ensure decisions are based on complete and accurate information and a full understanding of corporate policy and financial implications.

The TPB office also supports the work of the Legislative and Regulatory Review Committee by identifying policy issues that should be referred to Cabinet , TPB or the Cabinet committees for review and decision and provides advice on draft legislation to ensure policy objectives are met.

2. ***Strategic Planning and Budgeting***

The TPB office assists the Executive Council in developing and communicating corporate priorities and develops processes to ensure funding allocations are consistent with policy direction and priorities. The office analyses and advises on department and agency budgets to ensure that allocations support priorities, suggesting modification when necessary.

The TPB office is the Government of Nova Scotia's central planning agency. Responsibilities include preparing the Government of Nova Scotia Business Plan publication and coordinating the publication of annual business plans for departments, agencies and crown corporations.

While primary responsibility for the provincial budget rests with the Minister of Finance, the TPB office works closely with the Department of Finance to prepare the provincial budget. The office coordinates the development of the expenditure component of the budget and monitors government expenditures throughout the year to ensure that expenditure targets are achieved.

3. ***Coordination of Corporate Policies and Priorities***

The office identifies major corporate policy issues and coordinates policy development with departments and agencies on issues that cross departmental boundaries. The TPB office initiates, and sometimes leads, corporate projects.

4. ***Supporting Effective Corporate Administration of Government***

An important role of the TPB office is to improve accountability and performance reporting practices of government, crown corporations and government agencies. Significant progress has been made in this area in recent years.

- Legislation was enacted requiring Government to table an annual business plan and to table an accountability report by December 31st each year.
- Pursuant to TPB policy, departments, certain government agencies and crown corporations are also required to publish annual business plans.
- Business plans must include performance measures for core business areas.
- Departments and agencies must also publish annual accountability reports by December 31st describing progress in meeting business plan priorities and performance measure targets.
- Progress in meeting business plan priorities and budget targets is an integral part of the performance evaluation process for government employees and deputy ministers.

The TPB office continues to build on these improvements and to improve the administration of government by developing new policy, issuing and communicating guidelines and standards, advising on government structure and programs and by supporting senior leadership development.

F. Priorities

1. Support to Treasury and Policy Board / Cabinet

Submissions to Treasury and Policy Board / Cabinet - The TPB office conducts a client survey, approximately every two years, as a tool to guide improvements and enhance performance in our areas of responsibility. The latest survey was issued in the summer of 2003 with reporting in the fall. The survey indicates a 77% overall satisfaction level with the Cabinet document submission process. Our priority for 2004-2005 is to develop and implement an action plan to further improve the quality and methods of staff support to Cabinet / TPB and its sub-committees.

2. Strategic Planning and Budgeting

Business Planning, Budgeting and Accountability Framework - The Framework project was started in 2003-2004. The objective of the Framework project is to develop a corporate policy which explains the linkages between business planning, budgeting and accountability reporting to ensure consistency and coordination. The Framework also explains the purpose\role of environmental scanning, operational planning, performance measurement and program evaluation and their linkages in the system.

Our priority for 2004-2005 is to complete the Framework project and publish the corporate policy in the Management Manual, accompanied by user guides for use by departments and agencies. Training, communication and implementation plans will also be developed upon approval of the Framework.

3. *Coordination of Corporate Policies and Priorities*

Program Inventory and Costing - This is the second year of this initiative. The purpose of the project is to develop an inventory of programs and services, with related cost information. The inventory will provide important information to help government assess the effectiveness, economy, and efficiency of programs and services and to formulate policy and funding decisions. Our priority for 2004-2005 is to complete the program inventory component of the project. Full implementation and development of a costing methodology is expected to span several years.

User Fee Policy - This is the second year of a two year project. The purpose of the project is to develop corporate policy and guidelines for the administration of user fees. The project also includes developing a user fee database to provide management information. In 2003-04 research work on user fee practices in other jurisdictions was completed and a master list of fees was developed. Our priority for 2004-2005 is to complete development of a user fee policy, in consultation with departments, and plan development of a user fee database.

4. ***Supporting Effective Corporate Administration of Government***

Management Manuals - The TPB office will continue to promote the use of the Management Manuals and its website. The TPB office will oversee the approval process for new policies, the repeal of redundant policies and the amendment of existing policies. Policies posted on the Management Manual website require review at least once every 3 years. A priority for 2004-2005 is to work with departments (the owners of policies) to promote compliance with existing policies and ensure that reviews occur in a timely manner. Another priority is to provide training concerning the Management Manuals as part of the Executive and Management Development programs and to provide information sessions to departments, offices and crown corporations on the use and applicability of the Management Manuals.

Business Planning and Accountability Reporting - The 2003-2004 fiscal year marks the end of the fourth year for current policies and guidelines for business planning and accountability reporting. Our priority for 2004-2005 is to consult with users as part of a review of existing business planning and accountability reporting practices to improve the usefulness and value of these documents to stakeholders.

Third-Party Entity Reporting and Governance - Third-party entities collectively account for more than $2.5 billion in annual program spending. Our priority for 2004-05 is to strengthen reporting and governance policies and practices for third-party entities consolidated in the financial statements of the Province. Strengthened policies will assist Government in meeting the objectives of the fiscal plan by ensuring relevant information is received on a timely basis. This will be a multi-year initiative. The emphasis in the first year will be on strengthening financial reporting practices for these entities.

G. Budget Context

Treasury and Policy Board - Estimated Budget Expenditures			
	Budget 2003\04 (Per 2003\04 Estimates Book	Forecast 2003\04 (Per 2004\05 Estimates Book)	Budget 2004\05 (Per 2004\05 Estimates Book)
	($000's)	($000's)	($000's)
Total - Gross Current	$2,603.0	$2,538.0	$2,742.0
Salaries and Benefits	$2,076.0	$2,066.0	$2,377.9
Funded Staff (FTEs)	26.4	25.5	29.0

H. Performance Measures

Core Business Area: Support to Treasury and Policy Board / Cabinet				
OUTCOME	**MEASURE**	**DATA**	**TARGET-2004-05**	**STRATEGIES to achieve target**
Quality information and advice to Executive Council and TPB	Overall satisfaction with information and advice to Executive Council and TPB per bi-annual Client Survey	77% overall satisfaction level with the Cabinet document submission process (2003-04 - base year)	Increase overall satisfaction above 77%	Develop an Action Plan and implement recommendations to address issues raised in the 2003 Survey.

Core Business Area: Strategic Planning and Budgeting				
OUTCOME	**MEASURE**	**DATA**	**TARGET-2004-05**	**STRATEGIES to achieve target**
Improved financial and business planning and accountability reporting	Overall satisfaction with: - budget process; - business plan process; and - accountability reporting process.	Overall satisfaction based on 2003 Survey (base year): - budget process - 65% - business plan process - 65% - accountability reporting process - 63%	Increase overall satisfaction above 65%	Develop an Action Plan and implement recommendations to address issues raised in the 2003 Survey for the budget process, business planning and accountability reporting. Complete the Planning, Budget and Accountability Framework project. Conduct a comprehensive review of existing business planning and accountability reporting practices to improve their usefulness and value to stakeholders.
Increased understanding of Government's priorities	Client survey: Percentage of survey respondents who said they have a good understanding of Government's priorities and goals	Percentage of survey respondents who said they have a good understanding of Government's priorities and goals based on the 2003 Survey (base year): - 86%	Maintain at 86%	Develop an Action Plan and implement recommendations to address issues raised in the 2003 Survey to improve understanding of Governments priorities and goals

Core Business Area: Coordination of Corporate Policies and Priorities				
OUTCOME	**MEASURE**	**DATA** *(for baseline year and subsequent years)*	**TARGET-2004-05**	**STRATEGIES to achieve target**
Collaborative policy development	Client survey: Percentage of survey respondents agreeing that TPB provides good leadership in coordinating corporate policy efforts.	Percentage of survey respondents agreeing that TPB provides good leadership in coordinating corporate policy efforts based on 2003 Survey (base year): - 60%	Increase above 65%	Develop an Action Plan and implement recommendations to address issues raised in the 2003 Survey to better coordinate corporate policy efforts

Core Business Area: Supporting Effective Corporate Administration of Government				
OUTCOME *(immediate or inter-mediate)*	**MEASURE** *(outcome-based; quality, efficiency/productivity, cost-effectiveness)*	**DATA** *(for baseline year and subsequent years)*	**TARGET-2004-05**	**STRATEGIES to achieve target**
Useful administrative policies that facilitate efficient government administration See Note 1.	Client survey: Percentage of survey respondents satisfied with the Management Manual updating process.	Percentage of survey respondents satisfied with the Management Manual updating process based on 2003 Survey (base year): - 83%	Maintain satisfaction rating at 80% or above.	Respond to recommendations of the Action Plan raised in the 2003 Survey.

Note 1: The measures for this outcome in 2003-2004 were "percentage of corporate policies in process" and "percentage of corporate policies published". Because these percentages do not have a predictable pattern, this measure has been replaced by a satisfaction measurement of the overall management manual process.